

ABSTRACT OF THE INVENTION

The invention provides a system and method for determining the winner or winners of an on-line auction accepting proxy bids. Proxy bids are bids that do not have a bid price, but instead have ceiling price that indicates the highest price a bidder is willing to bid for goods. The system and method according to the invention are able to sort the bids from highest to lowest and determine a winner or winners depending on the amount of goods being offered for sale. The system then generates a winning bid price by determining the lowest bid required to win the auction. The winning bidder or bidders pay this winning bid price.

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